- (e) A licensee or permittee of a commercial TV broadcast or low power TV station may not transmit a subscription service if it has a contract, arrangement, or understanding, expressed or implied, that:
- (1) Prevents or hinders it from rejecting or refusing any subscription TV broadcast program that it reasonably believes to be unsatisfactory or unsuitable or contrary to the public interests; or substituting a subscription or conventional program that, in its opinion, is of greater local or national importance; or
- (2) Delegates to any other person the right to schedule the hours of transmission of subscription programs. However, this rule does not prevent a licensee or permittee from entering into an agreement or arrangement whereby it agrees to schedule a specific subscription TV broadcast program at a specific time or to schedule a specific number of hours of subscription programs during the broadcast day (or segments thereof) or weeks; or
- (3) Deprives it of the right of ultimate decision concerning the maximum amount of any subscription program charge or fee.
- (4) Has provisions that do not comply with the following policies of the FCC:
- (i) Unless a satifactory signal is unavailable at the location where service is desired, subscription TV service must be provided to all persons desiring it within the Grade A contour of the station broadcasting subscription programs. Geographic or other reasonable patterns of installation for new subscription services is permitted and, for good cause, service may be terminated.
- (ii) Charges, terms and conditions of service to subscribers must be applied uniformly. However, subscribers may be divided into reasonable classifications approved by the FCC, and the impositions of different sets of terms and conditions may be applied to subscribers in different classifications. Further, for good cause, within such classification, deposits may be required from some subscribers and not of others; and, also for good cause, if a subscription system generally uses a cred-

it-type decoder, cash operated decoders may be installed for some subscribers.

[48 FR 56392, Dec. 21, 1983, as amended at 52 FR 6154, Mar. 2, 1987]

§ 73.643 Subscription TV operating requirements.

The non-technical rules and policies applicable to regular TV broadcast stations are applicable to subscription TV operations, except where specifically exempted in the provisions of those rules and policies.

[48 FR 56392, Dec. 21, 1983]

§ 73.644 Subscription TV transmission systems.

- (a) Licensees and permittees of commercial TV broadcast and low power TV stations may conduct subscription operations only by using an encoding system that has been approved in advance by the FCC. Such advance approval may be applied for and granted in accordance with the procedures given in Subpart M Part 2 of the Rules.
- (b) The criteria for advance approval of subscription TV transmitting systems by the FCC are as follows:
- (1) Špectral energy in the transmitted signal must not exceed the limitations given in \$73.687(e).
- (2) No increase in width of the television broadcast channel (6 MHz.) is permitted.
- (3) The technical system must enable stations to transmit encoded subscription TV programs without increasing the RMS output power from either the video or audio transmitters over that required to transmit the same program material using normal transmission standards.
- (4) Modification of a type accepted TV broadcast or low power TV transmitter for encoded transmissions must not render transmitter incapable of operating in accordance with the operating specifications upon which type acceptance was granted. (See §2.1001 (b), (k))
- (5) Interference to reception of conventional television either of co-channel or adjacent channel stations must not increase over that resulting from the transmission of programming with normal transmission standards.